

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NEW YORK

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United States of America Civil No.:

Plaintiff,

-vs-

Manley C. Crane a/k/a Manley Crane  
Leroy, NY 14482

Defendants.

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**COMPLAINT**

The United States of America, a sovereign, by Shapiro, DiCaro & Barak, LLC, attorneys for the plaintiff, complains and alleges as follows:

1. This is a suit to recover payments due and unpaid on student loans insured by the United States Department of Education under the Guaranteed Student Loan Program, Title IV\_B of the Higher Education Act of 1965 (the "Act"), as amended, 20 U.S.C. §1071, et seq.

2. This court has jurisdiction under the provisions of Title 28, United States Code, Section 1345.

3. Defendant, Manley C. Crane a/k/a Manley Crane, is a natural person over the age of twenty-one (21) who resides at 43 Myrtle Street, Leroy, New York, within the jurisdiction of this Court.

4. Defendant entered into the promissory notes attached hereto and incorporated herein as Exhibit "A".

5. Defendant has defaulted in making the payments due under said notes.

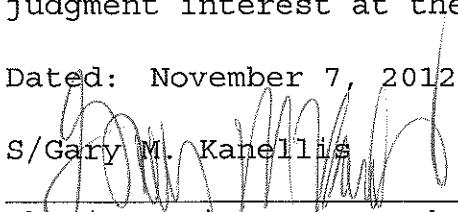
6. Defendant is now indebted to the plaintiff in the total amount of \$146,851.63 as of August 9, 2012, by reason of the assignment to the United States of America of the defaulted promissory notes insured by the United States Department of Education under the Act, as more particularly described in the Certificate of Indebtedness, a copy of which is attached as Exhibit "B".

7. Defendant has failed or refuse to repay said amount, although demand has been made.

WHEREFORE, plaintiff demands judgment against the defendant in the amount of \$146,851.63 which includes principal amount of \$57,187.93 and interest in the amount of \$89,663.70 as of August 9, 2012, pre-judgment interest on the principal computed at the rate of 9.00% on the principal balance of \$57,187.93 until the date of judgment; post-judgment interest at the legal rate.

Dated: November 7, 2012

S/Gary M. Kanellis

  
Shapiro, DiCaro & Barak, LLC  
250 Mile Crossing Blvd. Suite 1  
Rochester, NY 14624  
(585) 770-2135  
Fax: (585) 247-7380  
Email: [gkanellis@logs.com](mailto:gkanellis@logs.com)

VERIFICATION

STATE OF NEW YORK)

SS:

COUNTY OF MONROE)

Gary M. Kanellis, being duly sworn, deposes and says:

1. I am an attorney duly admitted to practice in the Federal Court of Western District of the State of New York and have read the foregoing complaint.

2. The allegations of the complaint are true, except those matters alleged on information and belief, and those matters I believe to be true. The grounds of my knowledge and the sources of my information and belief are records of the U.S. Department of Education and public records.

3. This verification is made by me and not by plaintiff because the United States of America is a sovereign.

S/Gary M. Kanellis

Shapiro, DiCaro & Barak, LLC  
250 Mile Crossing Blvd. Suite 1  
Rochester, NY 14624  
(585) 770-2135  
Fax: (585) 247-7380  
Email: [gkanellis@logs.com](mailto:gkanellis@logs.com)

Sworn to and subscribed before me on:  
November 7, 2012

Notary Public

JOANNE M. FINN  
Notary Public, State of New York  
No. 01FI6006043  
Qualified in Livingston County  
Commission Expires April 20, 2014

EXHIBIT "A"

84

(Failure to complete all information will result in processing delays.)

1. LAST NAME <b>Crane</b>	FIRST NAME <b>Manley</b>	MIDDLE INITIAL <b>C.</b>	1A. SOCIAL NAME (for surname) <b>Crane</b>	4. DAYTIME TELEPHONE <b>212-633-1111</b>
NUMBER AND STREET <b>100 W. 100th St.</b>	CITY <b>Liverpool, New York</b>	STATE <b>NY</b>	2. SOCIAL SECURITY NUMBER <b>1-10-100000000</b>	4A. EVENING TELEPHONE <b>212-633-1111</b>
CITY <b>Liverpool, New York</b>	STATE <b>NY</b>	ZIP <b>13090</b>	3. DATE OF BIRTH (MONTH/YEAR) <b>1-1-1945</b>	4A. GRADUATION DATE <b>1-1-1965</b>
4B. DRIVER'S LICENSE NUMBER AND STATE <b>NY 1000000000</b>	Name and Address of a Relative Who Does Not Live With Me LAST NAME FIRST NAME MIDDLE INITIAL <b>Crane Elizabeth A.</b>		Name and Address of a Non-Relative LAST NAME FIRST NAME MIDDLE INITIAL <b>Littser Harold Jr.</b>	
My Employer Is: <b>NONE</b>	6. NUMBER AND STREET <b>100 W. 100th St.</b>		7. NUMBER AND STREET <b>100 W. 100th St.</b>	
5. COMPANY NAME <b>None</b>	CITY <b>Le Roy, NY</b>		CITY <b>Mumford, NY</b>	
NUMBER AND STREET <b>100 W. 100th St.</b>	STATE <b>NY</b>		STATE <b>NY</b>	
CITY <b>Liverpool, NY</b>	ZIP <b>14482</b>		ZIP <b>14511</b>	
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CITY <b>Liverpool, NY</b>	ZIP <b></b>			

8.	9.	10.	11.	12.	13.	14.
NAME AND ADDRESS OF CREDITOR	TO BE CONSOLIDATED	TYPE OF LOAN (Mortgage, etc.)	INTEREST RATE	DATE OF DISBURSEMENT	ACCOUNT NUMBER	ESTIMATED CURRENT MONTHLY PAYMENT BALANCE
1. Loan Service Center P.O. Box 309, Lawrence, KS 66044	x	Stafford		2/87	[REDACTED]	5000
2. same	x	same		5/87	same	2500
3. same	x	same		12/89	same	7500
4. Student Loan Servicing System P.O. Box 30802, Salt Lake, UT 84130-0802	x	Stafford	8 var	06/88	[REDACTED]	7500
5. same	x	Supp. Loan	same	11/88	[REDACTED]	4000
6. Student Loan Servicing Center P.O. Box 2461, Harrisburg, PA	x	Stafford		06/89	093 34	7500
7. same		Supp			0808	4000

17-105-2461 (If you need to fix additional loans, attach another sheet.)

[illegible]

**All Borrowers: Check One**

15. ☐ I choose the MAX-2 OPTION with two years of interest only payments. ☒ I choose the MAX-4 OPTION with four years of interest only payments. ☐ I choose a LEVEL PAYMENT PLAN.

[illegible]

### APPLICANT CERTIFICATION

[illegible]

I agree that the above information is a pleasure. I have read the material and understand my rights and responsibilities under the loan consolidation program. I understand that the above information is a pleasure. I have read the material and understand my rights and responsibilities under the loan consolidation program.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

## CRIMINAL PENALTIES

**CRIMINAL PENALTIES**  
WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties, which may include fines or imprisonment under the United States Criminal Code and/or civil penalties.

18. APPLICANT SIGNATURE \_\_\_\_\_ DATE 30 August 1990 \_\_\_\_\_  
X \_\_\_\_\_

PERMISSION TO VERIFY LOAN BALANCES

[illegible]

**Sallie Mae**

P.O. Box 1304  
Merrifield, Virginia 22116  
800/522-1245

The SMART LOAN® Account

PROMISSORY NOTE ADDENDUM

MAR 11 1991

DATE: 02/25/91

BEST COPY AVAILABLE  
AT TIME OF IMAGING

HANLEY C. CRANE  
[REDACTED]

Dear SMART LOAN Applicant:

At the time you applied for your Sallie Mae SMART LOAN account, we promised to contact you if the total balances on the loans that you selected for consolidation, after verification from your lenders, differed by \$500 or more from what you estimated the balances to be. In your case, the payoff balances reported by your current lenders totalled \$41,286.52.

The payoff figure represents the beginning principal balance of your SMART LOAN account. Please keep in mind, the payoffs we have acquired on your loans are time sensitive and may need to be updated prior to disbursing payment to your lenders. We will contact you prior to disbursement only if, as a result of payoff updates obtained from your current lenders, the total balance of the loans you selected for consolidation should increase \$250 or more from the beginning principal balance shown on this addendum. By providing us with your signature and returning this letter, we will complete the processing of your SMART LOAN application without further delay.

If you have any questions, contact us at 1-800-522-1245. Failure to contact us or return this letter immediately may cause processing delays.

We thank you again for your interest in the SMART LOAN program and we look forward to hearing from you soon.

Borrower Services  
Loan Consolidation Center

The beginning principal balance of my SMART LOAN account will be \$41,286.52, or, an amount not to exceed this figure by \$250. I hereby acknowledge and agree that my application for a SMART LOAN remains unchanged except for this modification to the amount of the loan. I authorize Sallie Mae to proceed with processing my SMART LOAN application.

Applicant Signature

Date

**PENDEX**

SMART LOAN® is a registered service mark of the Student Loan Marketing Association

RETURN TO SALLIE MAE

SM2P

EXHIBIT "B"

U. S. DEPARTMENT OF EDUCATION  
SAN FRANCISCO, CALIFORNIA

CERTIFICATE OF INDEBTEDNESS #1 OF 1

Manley Crane  
43 Myrtle St.  
Leroy, NY 14482  
Account No. xxx-xx-1945

I certify that U.S. Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 08/09/12.

On or about 08/30/90, the borrower executed a promissory note to secure a Federal Family Education Loan Program Consolidation loan from Student Loan Marketing Association. This loan was disbursed for \$41,286.52 on 03/26/91, at 9 percent interest per annum. The loan obligation was guaranteed by Great Lakes Higher Education Guaranty Corporation, and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 C.F.R. Part 682). The holder demanded payment according to the terms of the note, and credited \$0.52 to the outstanding principal owed on the loan. The borrower defaulted on the obligation on 12/20/94, and the holder filed a claim on the loan guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$57,187.93 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. Pursuant to 34 C.F.R. § 682.410(b)(4), once the guarantor pays on a default claim, the entire amount paid becomes due to the guarantor as principal. The guarantor attempted to collect this debt from the borrower. The guarantor was unable to collect the full amount due, and on 05/13/99, assigned its right and title to the loan to the Department.

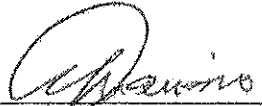
Since assignment of the loan, the Department has credited a total of \$1,260.00 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the borrower now owes the United States the following:

Principal:	\$57,187.93
Interest:	\$89,663.70
Total debt as of 08/09/12:	\$146,851.63

Interest accrues on the principal shown here at the rate of \$14.09 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 8/2/12

  
Alberto Francisco  
Loan Analyst